



Harlin DeWayne Hale
United States Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

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Adversary No. 10-3199

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GRENCORP MANAGEMENT, INC.

Intervenor

20-20 MANAGEMENT COMPANY, INC.

Cross-Claimant

v.

GRENCORP MANAGEMENT, INC.

Cross-Defendant

**GRENCORP MANAGEMENT, INC. and
PIONEER 40 LLC**

Third Party Plaintiffs

v.

**PIONEER AUSTIN EAST
DEVELOPMENT IC, LTD. and
LIBERTY BANKERS LIFE
INSURANCE COMPANY**

Third Party Defendants

**LIBERTY BANKERS LIFE
INSURANCE COMPANY**

Cross-Claimant

v.

**PIONEER AUSTIN EAST
DEVELOPMENT IC, LTD.**

Cross-Defendant

The Grencorp lien was filed of record and is first in time. Liberty's deed of trust contained the wrong property description. At best, it holds an equitable lien. The Grencorp lien is superior to any equitable lien of Liberty. *Noble Mortg. & Invs., LLC v. D & M Vision Invs., LLC*, 340 S.W.3d 65 (Tex. App.–Houston [1st Dist.] 2011, no writ).

The statute relied upon by Liberty, TEX. PROP. CODE § 13.001, does not get it to the place it desires. Grencorp is surely a “creditor” for purposes of the statute. *See, Omohundro v. Jackson*, 36 S.W.3d 677 (Tex. App.–El Paso 2001). And, Liberty is not a “subsequent purchaser for value” in the true sense. Rather, the maxim, “first in time, first in right,” controls. To hold otherwise would do great damage to real estate and commercial transactions in Texas.

Accordingly, the Grencorp/Pioneer motion will be granted and Liberty motion will be denied.

This ruling is without prejudice to the rights of Cross-Claimant 20-20 Management Company, Inc., which will be determined at a later date.

Mr. Seckel should submit two (2) orders consistent with this ruling within seven (7) days.

###END OF FINDINGS AND CONCLUSIONS###